# MANITOBA LIQUOR CONTROL COMMISSION

# 61st ANNUAL REPORT

FOR THE FISCAL YEAR APRIL 1, 1983 TO MARCH 31, 1984

85-3663/

## LIQUOR CONTROL COMMISSION
## OPERATIONAL PHILOSOPHY

The Manitoba Liquor Control Commission is responsible for the purchase, sale and control of beverage alcohol in the province. It is committed to a socially responsible and businesslike approach in its external and internal dealings. As a government agency, the Commission is sensitive to the needs of all Manitobans. Essentially the Commission functions as an effective retailer of regulated products, always combining business effectiveness with a strong awareness of social responsibility.

As a consumer oriented organization, the Commission recognizes the need for cordial relations with consumers. This is achieved through the medium of well informed, helpful and courteous employees. Commission personnel are provided with optional training programs to improve their product knowledge aided by internal recognition programs and service awards. This ongoing process ensures a positive staff-customer relationship. It also provides for continuing development of the Commission's commitment to the communities it serves.

The Commission strives to support the efforts of the hospitality industry with a realistic enforcement of rules and regulations. It also takes an enlightened approach to innovative ideas.

Keeping the public well informed on all matters of interest including those matters required by law is an integral part of the Commission's approach to serving the citizens of Manitoba.

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## LIQUOR CONTROL COMMISSION

**(As at March 31, 1984)**

THE HONOURABLE ROLAND PENNER, Q.C.

Attorney-General

Minister Responsible for Administration of
The Liquor Control Act

### BOARD OF COMMISSIONERS

Chairman ..... A. Chisvin, C.A.

Vice-Chairman ..... A. F. Matthews, Q.C.

Commissioner ..... W. Bohonos

Commissioner ..... J. Parkin

Commissioner ..... D. Torbiak

### LICENSING BOARD

Chairman ..... R. Eamer

Member ..... E. Blais

Member ..... K. Grant

Member ..... R. Pear

Member ..... I. Wiebe

Corporate Secretary ..... I. A. Hamilton

### EXECUTIVE OFFICERS

General Manager & Chief Executive Officer ..... Wm. E. Emerson

Assistant General Manager, Marketing ..... D. V. Lussier
– Retail Operations, Purchasing & Distribution

Director of Finance ..... A. B. Ahoff

Director of Personnel ..... H. W. Ferguson

Director, Licences & Permits ..... A. T. Jackson

Chief Inspector ..... R. J. Brooker

**Head Office and Warehouse**

**1555 Buffalo Place, Fort Garry**

**Postal Address – P.O. Box 1023, Winnipeg, Manitoba R3C 2X1**

## THE LIQUOR CONTROL COMMISSION ANNUAL REPORT

## LETTER OF TRANSMITTAL

The Honourable Roland Penner, Q.C.,
Attorney-General, Province of Manitoba,
Legislative Building,
Winnipeg, Manitoba R3C 0V8

Dear Sir:

I have the honour to transmit herewith the Sixty-First Annual Report of The Liquor Control Commission, covering the fiscal year ended March 31, 1984.

Respectfully submitted,

A. Chisvin, C.A.
Chairman

July 31, 1984

## THE LIQUOR CONTROL COMMISSION ANNUAL REPORT

Mr. Allan Chisvin, C.A.,
Chairman,
The Liquor Control Commission,
1555 Buffalo Place,
Winnipeg, Manitoba

Dear Sir:

I take pleasure in providing the Sixty-First Annual Report of The Liquor Control Commission, covering the fiscal year ended March 31, 1984.

During the year sales through Commission stores, and to liquor vendors and licensees amounted to $303,939,371, an increase of 5.2% over the previous year. Our sales increase came about almost entirely from sales to licensees. Store sales did not significantly change from the previous year and there was a small decline in sales to liquor vendors. After inclusion of other income and deduction of operating and other expenses, net profits paid to the Minister of Finance rose 8% from $118,645,809 in fiscal 1983 to $128,102,607 in fiscal 1984.

Net profit as a percentage of sales rose for the third consecutive year and has increased by 57% over the three year period while expenses have risen 46%.

The significant down trend in spirits sales first experienced in fiscal 1982 accelerated in fiscal 1984 with a decline in volume of 11.3%. Spirits sales volume for the year was the lowest since fiscal 1973. Per capita sales of spirits declined from 9 litres per person to 7.88 litres per person. Wine volume declined 5.5% while beer volume rose 5.6%. Wine per capita dropped from 7.09 litres per person to 6.61 while beer per capita rose from 76.82 to 80.08 litres per person.

Innovative marketing effort by the brewers included the introduction of beer in aluminum cans and private mould bottles. An unusually warm summer in 1983 had a beneficial effect, as did the hotel industry's investment of $1,300,000 in 8 self-serve beer vendors bringing the total to 21 across the province.

Two Commission liquor stores were relocated and revamped during the year. The Unicity Fashion Square is now the site of a modern, full listing liquor store. As well, the outdated conventional liquor store in Beausejour was moved into a new building and converted to self-serve.

During the year the Commission introduced a number of significant regulatory and policy changes. Notably, a Photo Identification Card was introduced and approximately 2,300 cards were issued by the Commission as acceptable identification for young adults over the age of 18. Also a new advertising regulation allowed the Commission to issue detailed advertising directives to suppliers of spirits, wine, beer and cider, and to licensees.

A new inventory control system introduced in all liquor stores achieved a 21% reduction in inventory volumes. The high standard of stock availability on store shelves was maintained.

Emphasis on inspection of occasional permit functions resulted in an increase of 756 (52%) function inspections over the previous year.

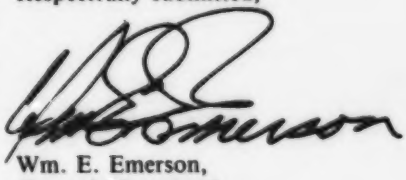
A Security Committee was formed and reports directly to the General Manager & Chief Executive Officer. Significant security enhancements have been effected in Commission stores.

One hundred and twenty Commission employees were provided with training programs in 18 sessions. During the year 18 employees retired and 45 received long term service awards. The valuable contribution made by these, and by all Commission employees throughout the year is gratefully acknowledged.

The Commission also wishes to acknowledge the valuable assistance of the R.C.M.P., the City of Winnipeg Police, all rural Police forces and departments of Government in ensuring compliance with the Liquor Control Act, its regulations and Commission policies.

Operational highlights, the Auditor's Report, and the Commission's audited financial statements for the year with appropriate comparisons are provided in the following sections of this report.

Respectfully submitted,



Wm. E. Emerson,
General Manager &
Chief Executive Officer
July 31, 1984

## PERSONNEL

The number of members of the Board of Commissioners, the Licensing Board and permanent employees of the Commission at March 31, 1984, compared with 1983 was as follows:

| | 1983 | 1984 |
|---|---|---|
| Members of the Board of Commissioners | 5 | 5 |
| Members of the Licensing Board | 5 | 5 |
| Executive Officers | 6 | 6 |
| Head Office | 81 | 81 |
| Chief Inspector's Division | 22 | 23 |
| Warehouse | 40 | 37 |
| Maintenance & Carpentry | 13 | 13 |
| Liquor Stores & Order Office | 251 | 252 |
| | 423 | 422 |

### Training & Development

The emphasis during the year was on in-house training for all operating divisions utilizing multi media training materials. During the fiscal year 18 in-house training sessions with 120 participants were held covering the gamut from improved writing skills to effective management techniques. In-house programs enable the Commission to provide training to a large number of employees at mutually convenient times.

Once again improved store management performance was emphasized with store manager seminars being held in Brandon and Portage la Prairie. All store managers participated and benefited from lectures by head office staff, instructional films and round table discussions.

### Employee Newsletter

Fiscal 1984 marked the introduction of the new employee newsletter, the "Vineline". This quarterly publication was introduced in August 1983 and is intended to keep all staff better informed and up-to-date on what is happening at the Commission. Features include staff functions, new developments and upcoming programs as well as promotions, transfers and other events affecting employees.

### Retirement & Long Service

Newly designed service pins were introduced during the fiscal year. The pins are engraved with the Commission logo, and a different metal or gemstone signifies each five years of service from five to forty. One hundred and fifty-eight people attended a festive dinner recognizing past service contributions of our valued employees. The honoured guests, their families and other Commission people enjoyed a memorable evening.

Presentations were made to 18 employees who retired during the year. In addition, two employees received 40 year service awards, eight received 35 year service awards, twenty-six received 30 year service awards and nine received 25 year service awards.

## RETAIL OPERATIONS

In fiscal 1984 total sales of liquor to the public and licensees rose 5.2% from $288,819,347 to $303,939,371. Notably, licensee sector sales rose 11.9% from $121,886,180 to $136,426,999, whereas sales through Commission liquor stores and privately-owned and operated liquor vendors increased only 0.3% over the previous year from $166,933,167 to $167,512,372. In fact, liquor vendor sales to the public actually declined by 0.4% from $29,144,819 to $29,033,760.

### Liquor Stores

There were 49 liquor stores at year end, consisting of 40 self-serve and 9 conventional (over-the-counter) stores. (Appendix I). Dollar sales through Commission stores totalled $140,740,877, a 0.5% increase over the previous year.

With the continued decline of spirit sales and a first-time decline in the sale of wines, strict attention to stores inventories resulted in the introduction of a new inventory control system in all stores. This system satisfactorily reduced store inventory volumes 21% without sacrificing the high standard of in-stock merchandise on shelves.

### Liquor Vendors

At March 31, 1984 there were 168 privately-owned businesses known as liquor vendors authorized to retail liquor in rural Manitoba (Appendix II). Sales by these liquor vendors accounted for 9.5% of Commission sales.

During the year, three liquor vendors were closed, two were reopened and 21 changed ownership. Four liquor vendors converted their operations to self-serve, bringing the total number of self-serve liquor vendors to 60.

Many liquor vendors participated in the German and Canadian Wine Festivals and made available to their customers the specially priced wines featured in these events.

### Store Development

The Commission's continuing objective is to provide a high level of pleasant and efficient customer service. To facilitate this objective, every Manitoba retail store is examined annually and considered for upgrading, relocation, or conversion to self-serve.

During fiscal 1984 two stores received major attention. The old store at 3239 Portage Avenue was closed and a new modern store opened in the Unicity Fashion Square offering service to the residents of Winnipeg West in the pleasant environment of one of Winnipeg's major malls. Here, for its opening, the Commission unveiled a prototype Electronic Gourmet video display terminal. The demonstration display program contained wine listings, cross-referenced by colour, country of origin, bottle size, price, and appropriate recipes. A three-month testing concluding in July 1984 will determine whether this new type of informational facility suits wine shoppers' requirements.

In rural Manitoba, the Commission-owned conventional store in Beausejour was closed and an attractive new self-serve store was built at 619 Park Avenue and opened on November 22, 1983. Compared with 270 listings at the old store (most of them not visible to the shopper), the new store displays over 600 listings of spirits, wines and beers.

### Merchandising

Several important merchandising activities took place within our retail stores during the year.

For wine lovers in general, and lovers of German wines in particular, a gala "Festival of German Wines" was held from May 13 to May 28, 1983. Many special-

ly priced German wines were presented to customers in eye-catching displays with a German motif provided by banners, flags and other materials. Customers responded enthusiastically, purchasing 40% more German wine than in the previous May.

The second annual Canadian Wine Festival was held from October 14 to October 29, 1983, featuring 21 Canadian wines specially priced for the event. Thousands of customers responded eagerly to the theme "To Taste is to Believe", resulting in sales during October second only to sales during December, the busiest month of the year.

In November 1983, "Beaujolais Nouveau" was presented to enthusiastic Manitobans. This young, fresh wine from the Beaujolais region of France proved, once again, most popular with customers as nearly 10,000 bottles were purchased within the first hour of its placement on store shelves.

For the first time, considerable merchandising attention was directed to the winter festive season. Christmas trees and other decorative items adorned each liquor store and an extensive array of gift ideas greeted the customer. These included attractive stocking stuffers, decorative wine bottles, novelties and collector's delights. Sales amounted to $308,000.

### Customer Service

The essence of good retailing is pleasant, knowledgeable service to customers. To assist in accomplishing this goal, and in addition to ongoing training, 15 retail employees took part in an advanced certificate course on spirits, wine and beer. This course was developed by the International Wine & Spirits Education Trust of London, England. After two weeks of home study following the seminar, participants wrote an examination with successful candidates receiving Education Trust certificates.

## PURCHASING & DISTRIBUTION

### Sales

During the year, while sales volume of spirits and wine declined by 11.3% and 5.5% respectively, beer sales volume increased 5.6%, the largest increase in several years.

Consumers showed a strong preference towards value-priced spirits with significant sales increases experienced by certain products which decreased in price. Although spirits volume was down 11.3% compared to fiscal 1983, vodka continued to outperform the market declining only 7.1%. In terms of market shares, domestic spirits held 88.2% while imports accounted for 11.8%.

While wine in aggregate declined 5.5%, white table wine continued its growth, increasing 7.6% over the previous year, (all other wines declined 15.9%). The strongest performers in the white table wines were Canadian white wines which increased their share of the white wine market to 49.0% from 10.0% in the previous year.

Domestic wine in total had a very positive year, moving from holding approximately half the entire wine market in fiscal 1983 to 53% during fiscal 1984. This increasing popularity of domestic wines contributed to the decision of T. G. Bright & Co. Limited to open a wine filling and packing plant in Manitoba in November 1983.

The most positive sales experience of the year was in domestic beer reflecting the combination of a hot summer and new marketing initiatives taken by the breweries. These initiatives included the introduction of aluminum cans and private mould bottles and enhanced advertising. Domestic beer gained market

share during the year growing from 98.5% in the previous year to 98.9% in fiscal 1984.

The C.O.D. liquor home delivery service in Winnipeg and Brandon received overwhelming approval with a 75% increase in volume compared to the prior year. This was the result of the Commission's continuing efforts to improve customer services with same day delivery, extended hours from 4:00 p.m. to 7:00 p.m. plus Saturday delivery.

Two bilingual price lists issued in May and September, Vineline newspaper information and the second annual issue of the Affordable Wine Book aided in providing customer knowledge.

**Products**

In an effort to anticipate and respond to rapidly changing market conditions and consumer requirements, a comprehensive new supplier guideline governing listings and delistings was developed.

The total number of products and packages listed by the Commission at the end of the fiscal year was 1,400, an increase of 50 over the previous fiscal year. Responding to shifting consumer tastes, 126 new products were listed during the year, while 76 were withdrawn. Two-thirds of the new listings were wines and the Commission's external taste panel provided valuable input. Introductory offers on newly listed wines and liqueurs proved extremely popular with consumers.

**Prices**

The majority of spirits, wine and imported beer did not increase in price in the spring of 1983 as in most prior years. Although prices on some wines increased 5¢ to 75¢ per bottle, (a result of increased supplier prices and freight charges), some 60 products actually decreased in price.

On September 1, 1983 prices were increased to reflect a 13% increase in the indexed Federal excise tax and duty as well as some supplier price increases. Spirits increased from 90¢ to $1.45 per bottle. Increases in Canadian wines were modest, averaging 10¢ per bottle, while due to the relative strength of the Canadian dollar, several European wines decreased in price.

Manitoba domestic beer prices increased 30¢ - 35¢ per dozen on May 1, 1983 due to an increase in the price of beer paid to the brewers. On September 6, 1983 a further increase of 20¢ per dozen reflected the aforementioned indexing of federal excise tax and duty.

During the last half of the fiscal year, certain breweries provided temporary consumer price reductions of up to $1.00 per dozen on selected brands.

**Control**

One of the significant control improvements made during the year was the development of a more effective inventory management system. In light of declining spirits sales volumes, management implemented major changes in statistical inventory and sales reviews, ordering procedures and order frequencies, periodic reviews of stock and sales were increased. Further improvement was gleaned through partially automating the purchase order system with a fully automated system scheduled for October 1984.

As a result, the average monthly warehouse inventory volume was reduced by 20% compared to fiscal 1983.

**Warehouse**

Reflecting declining sales volume, total warehouse throughput for spirits, wine and imported beer decreased 14.5% to 3,342,649 cases during the year as compared with the 3,908,595 case throughput in fiscal 1983. Consistent with the seven year plan developed in 1980 for replacement of outdated equipment, two electric pallet trucks were purchased. Additional warehouse racking was purchased allowing more efficient handling of expanded Fine Wines Boutique listings.

Staff training and development continued to be a divisional priority. A seminar on distribution was attended by 50 employees from three departments and all managers and supervisors attended Purchasing and Inventory Control seminars.

## LICENCES & PERMITS

The hospitality industry's continued awareness of propriety and ethics in the service of food and beverages and high standards of accommodation provided was gratifying to the Commission. During the year under review, licensees generally operated their establishments conscientiously and discharged their responsibilities to the public in a satisfactory manner.

For the first time, the Commission participated with an "Information Centre" at the annual CentrEx Exhibition, hosted by the Manitoba Hotel Association and the Manitoba Restaurant and Foodservices Association. CentrEx is the most significant hospitality show in Manitoba and the second largest in Canada. Representatives from the Purchasing & Distribution, Chief Inspector and Licences & Permits divisions found participation an excellent tool in support of the Commission's ongoing program of providing advice and assistance to licensees.

A significant objective of the Commission is to maintain open communications with the hospitality industry. As a result representatives of the Commission participated in informational exchanges with the Manitoba Organization of Festivals & Events; Meeting Planners International/Manitoba; Main Street Revitalization Group and the Community Folk Art Council of Winnipeg.

Throughout the year the Commission continued its formal and informal dialogue with the Manitoba Hotel Association, Manitoba Restaurant and Foodservices Association and the Canadian Society of Club Managers. On the introduction of the Commission's new Directives on Advertising and Sales Promotion, familiarization meetings were held with the three Manitoba brewers, Distillers Council of Manitoba and wine and spirits suppliers' registered marketing representatives.

During fiscal 1984, staff from the Licences & Permits division met with new licensees in the field to familiarize them with pertinent provisions of The Liquor Control Act, Regulations and policies.

Licensees continued to expand the variety of services provided to the public by opening 13 new licensed outdoor patio areas. There are now 31 such facilities in the province.

The Commission, in September 1983, introduced a Manitoba Photo Identification Card to provide young adults with satisfactory proof of age and to assist the hospitality industry, liquor store and privately owned liquor vendor personnel in enforcement of The Liquor Control Act. Photo Identification teams from the Commission were made available throughout Manitoba at universities, colleges, liquor stores and licensed establishments. The response to the program by licensees and the public has been encouraging.

## Amendments to The Liquor Control Act, Regulations and Commission Policy

While no amendments to The Liquor Control Act were passed in fiscal 1984, the Commission introduced a number of significant amendments to the Regulations. As well, over 40 new policies and/or revisions of existing policies were published. These amendments recognized changing trends in the hospitality industry and the public attitude towards the responsible use of beverage alcohol in licensed premises. Significant regulatory amendments and policy changes are highlighted below.

### Regulations

Regulations filed during the year were:

125/83
- The Commission is allowed to issue a Manitoba Photo Identification Card to persons 18 years of age or over.

149/83
- The discriminatory restriction that required Manitoba brewers to sell bottled or canned beer to the Commission only in sealed cartons was removed.

162/83
- The square footage requirement for seating in licensed restaurants with dining rooms and banquet halls under occasional permit, and with banquet rooms under dining room licence, was standardized.

- The Commission confirmed that a licensee cannot have on the licensed premises any liquor that was not purchased on a Commission order form or under occasional permit.

- A licensee is now allowed to pour spirits from a Commission approved mechanical or electronic dispenser directly into a drinking glass without the use of a shot glass.

186/83
- The Commission is allowed to issue specific advertising and sales promotion direction to spirits, wine, beer and cider suppliers.

### Commission Policy

Significant policy changes made during the year were:

- Manuals containing comprehensive directives on Advertising and Sales Promotion were issued for the guidance of all suppliers, advertising agencies and licensees engaged in the production and utilization of spirits, wine, beer and cider advertising and promotion.

- Specific marketing guidelines were issued applicable to all Distillery, Brewery and Winery supplier representatives registered in Manitoba.

- Licensees who regularly close early in the evening were allowed to extend their hours of operation to the maximum permitted, at their own discretion.

- For the life safety of licensed premises' patrons and employees, guidelines were introduced for the installation of fire extinguishers and smoke alarms in appropriate licensed areas as well as hotel guest rooms, kitchens and other non-licensed areas.

- Self-serve buffet or smorgasbord style operations were permitted under restaurant and dining room licences without the necessity of printed menus.

- Licensees were allowed greater flexibility in the use of licensed outdoor patio areas.

- The variety of approved games was increased for installation in licensed and non-licensed areas. The restriction on the type of games that may be played in cocktail rooms was rescinded.

• Cafeteria style dining rooms, previously restricted to wine and beer, were permitted to serve spirits with meals.

• Community/Provincial Event occasional permittees were allowed to order the brands of liquor of their choice.

**Liquor Referendums**

Two municipalities presented a by-law to their electors for approval of the issuance of new classes of licence within their municipality. The results were:

• The Rural Municipality of Roland approved a by-law for Restaurant Beer & Wine, Beverage Room, Dining Room Liquor, Cocktail Room, Cabaret and Beer Vendor Licences.

• The Town of Steinbach defeated a by-law for Restaurant Beer & Wine Licence.

**Occasional Permits**

Training seminars were held with liquor store management. The purpose was to ensure all personnel were familiar with occasional permit procedures to enhance customer service.

Revised occasional permit directives were issued to liquor stores and privately owned liquor vendors. These enabled employees to help applicants understand their duties and responsibilities under The Liquor Control Act.

**Interdiction and Prohibition Orders**

| | No. In Effect March 31, 1983 | Issued | Rescinded | No. In Effect March 31, 1984 |
|---|---|---|---|---|
| Interdictions | 821 | 37 | 162 | 696 |
| Prohibitions | 27 | 30 | 30 | 27 |

**Board of Commissioners**

The Board of Commissioners held sixteen public disciplinary hearings during the year to deal with 30 infractions under The Liquor Control Act and Regulations. Disciplinary action taken by the Commission is included in the Inspection and Control section of this Report.

**Licensing Board**

During fiscal 1984, the Licensing Board held thirteen regular meetings, one annual meeting and one special meeting, all of which were open to the public. The special meeting was held in Brandon in order to respond more directly to issues in that locality.

Licence applications considered by the Board during the year included:

• 110 applications related to the purchase of existing hotels or restaurants;

• 110 applications related to premises not previously licensed;

• 92 applications related to conversion to other types of licences and the extension of licensed areas;

• 29 applications dealing with changes in ownership of shares of a corporation operating licensed premises.

Also considered were:

- 12 applications related to obtaining an additional licence;
- 3 applications related to the formation of a new company or partnership; and,
- 46 applications related to various miscellaneous licensing matters.

Licence changes during the year are listed below:

| Type of Licence | Number in Effect March 31, 1983 | Issued New | Not renewed or Terminated | Number in Effect March 31, 1984 |
|---|---|---|---|---|
| Hotel Registration | 335 | 3* | 3 | 335 |
| Beer Vendor | 300 | 4 | 1 | 303 |
| Beer Parlour | 4 | Nil | Nil | 4 |
| Restaurant Beer & Wine | 255 | 28 | 15 | 268 |
| Restaurant Wine | 34 | 5 | 11 | 28 |
| Beverage Room | 294 | 4 | 1 | 297 |
| Dining Room Liquor | 439 | 68 | 25 | 482 |
| Cocktail Room | 206 | 36 | 14 | 228 |
| Cabaret | 9 | 1 | Nil | 10 |
| Special Events | 11 | 1 | Nil | 12 |
| Club Beer | 5 | Nil | 1 | 4 |
| Club Beverage Room | 45 | 5 | 2 | 48 |
| Club Dining Room | 2 | Nil | Nil | 2 |
| Club Cocktail Room | 110 | 2 | 1 | 111 |
| Military Canteen | 62 | 1 | Nil | 63 |
| Brewers Retail | 1 | 1 | Nil | 2 |
| Sacramental Wine Vendor | 5 | Nil | Nil | 5 |
| Brewer | 5 | 3 | Nil | 8 |
| Distiller | 29 | Nil | 2 | 27 |
| Winery | 20 | 2 | Nil | 22 |
| Hunting or Fishing Lodge | 5 | 3 | Nil | 8 |
| Totals | 2,176 | 167 | 76 | 2,267 |

*2 new hotels were constructed; 1 existing licensee obtained a Certificate of Hotel Registration.

**Number of Establishments Licensed for On-Premise Consumption as at March 31, 1984:**
**(these figures result from the net of new openings and closings)**

| | 1983 | 1984 |
|---|---|---|
| *Hotels | 334 | 333 |
| *Private Sports & Fraternal Clubs | 159 | 163 |
| Military Messes | 62 | 63 |
| *Restaurants | 375 | 425 |
| Cabarets | 4 | 5 |
| *Railway (Dining & Lounge Cars) | 1 | 1 |
| *Airlines (Aircraft & Airport Hospitality Rooms) | 6 | 6 |
| Excursion Boats | 5 | 4 |
| Nursing Homes | 11 | 12 |
| *Special Events | 11 | 12 |
| Hunting or Fishing Lodges | 5 | 8 |
| | 973 | 1,032 |

*May hold more than one class of licence.

**Licensed Food & Beverage Establishments**

The Liquor Control Commission concerns itself essentially with that major segment of the hospitality industry which is licensed to serve beverage alcohol. In fiscal 1984 investment in new hotels and restaurants rose to $13.3 million compared with approximately $10.1 million in the year preceding.

**Hotels**

Over the past five years, 16 new hotels (one replacing an existing hotel), have been constructed in the province at a total investment of $29.7 million. As well, approximately $18.7 million has been spent on refurbishing existing licensed hotels. There were 335 hotels in the province at the end of the fiscal year. The growth in additional services and accommodation over the past 5 years is as follows:

| Fiscal Year | No. of New Hotels | Guest Rooms | No. of Banquet Rooms | No. of Licensed Dining Areas | No. of Cocktail Rooms | No. of Beverage Rooms | Total Investment Construction & Furnishings ($000) |
|---|---|---|---|---|---|---|---|
| 1980 | 5 | 154 | 4 (743) | 7 (1034) | 3 ( 87) | 3 (550) | $ 6,000 |
| 1981 | 6 | 327 | 6 (643) | 6 ( 691) | 4 (234) | 3 (432) | 14,600 |
| 1982 | 1 | 6 | Nil | 1 ( 25) | Nil | 1 (132) | 400 |
| 1983 | 2 | 73 | 2 (601) | 5 ( 307) | 1 ( 75) | Nil | 5,300 |
| 1984 | 2 | 45 | Nil | 2 ( 167) | 1 ( 60) | 2 (396) | 3,400 |

Figures in parentheses ( ) show total seating capacities.

**Restaurants**

During the past five years, $38 million was invested in 281 new restaurants, cocktail rooms and 3 cabarets.

In addition, $13.9 million was invested in refurbishing licensed restaurants.

There were 425 restaurants and 10 cabarets (5 not associated with hotels) in the province at the end of the fiscal year.

Additional establishments and services have been provided each year as follows:

| Fiscal Year | Total Number of New Establishments | No. of New Restaurants* | No. of New Dining Rooms | No. of New Cocktail Rooms (Incl. with Dining Rooms) | No. of New Cabarets | Investment, Construction & Furnishings ($000) |
|---|---|---|---|---|---|---|
| 1980 | 66 | 33 (2312) | 33 (3845) | 12 | Nil | $8,600 |
| 1981 | 51 | 24 (1847) | 26 (3761) | 10 | 1 (292) | 8,400 |
| 1982 | 45 | 16 (1492) | 29 (3532) | 11 | Nil | 6,300 |
| 1983 | 53 | 21 (1444) | 31 (3331) | 12 | 1 (231) | 4,800 |
| 1984 | 69 | 26 (1270) | 42 (5339) | 20 | 1 (254) | 9,900 |

Figures in parentheses ( ) show total seating capacities.
*Do not serve spirits.

NOTE: – Cocktail Room Licences are issued only for premises that hold a Dining Room Liquor Licence.
– Prior years comparative figures have been restated to conform to revised statistics adopted for the fiscal year ended March 31, 1984.

**Sale of Food and Liquor in Licensed Dining Rooms, Cocktail Rooms, Restaurants & Cabarets**

The aggregate provincial sales for fiscal 1984 from food and liquor sold by the 780 licensed establishments required to provide dining facilities and maintain an appropriate food to liquor ratio, was $235,768,000.

Of this total, $175,101,000 (74.3%) was attributed to the sale of food and $60,667,000 (25.7%) to the sale of liquor.

Details of the food to liquor ratio for the past five years are as follows:

| Fiscal Year | Number of Establishments | Food | % | Liquor | % | Total |
|---|---|---|---|---|---|---|
| 1980 | 644 | $121,398 | 76.4 | $37,599 | 23.6 | $158,997 |
| 1981 | 662 | 140,762 | 76.2 | 43,919 | 23.8 | 184,681 |
| 1982 | 711 | 146,408 | 74.7 | 49,574 | 25.3 | 195,982 |
| 1983 | 735 | 154,079 | 73.9 | 54,414 | 26.1 | 208,493 |
| 1984 | 780 | 175,101 | 74.3 | 60,667 | 25.7 | 235,768 |

Note: Most establishments have more than one class of licence.

## INSPECTION AND CONTROL

The function of the Chief Inspector's Division includes the role of "advisor" along with the traditional enforcement of rules and regulations governing the sale of beverage alcohol.

This "advisor" role places the emphasis on daily contact with licensees to provide them with appropriate information and assistance. It enables the licensees to maintain proper operational standards and promote an atmosphere conducive to preventing breaches of the Act, its regulations, and Commission policies.

Routine and special investigations are carried out on a daily basis to ensure compliance with provisions of The Liquor Control Act. These include inspections of licensed premises, banquet halls, occasional permit functions and new applications.

Members of the Inspectorate attended all zone meetings of the Manitoba Hotel Association and delivered lectures for the benefit of management and staff of licensed premises. Also addressed were members of various community organizations and students.

The Royal Canadian Mounted Police in rural areas continued, with this Division, to participate in the "Walk-Through Program" at licensed premises.

In September, 1983 a new Chief Inspector and a second Assistant Chief Inspector were appointed. The Chief Inspector's staff consists of two Assistant Chief Inspectors, three Senior Inspectors, sixteen District Inspectors and three clerical staff. In addition four auxiliary (part-time) inspectors provide increased inspection of occasional permit functions resulting in a 52% increase in these inspections compared with 1983.

**Disciplinary Action**

The following disciplinary action was taken against licensees and permittees with comparative figures shown for the previous fiscal year.

| **Licensees** | **1983** | 1984 |
|---|---|---|
| Disciplinary Hearings | 17 | 16 |
| Cancellations of Licences | — | — |
| Suspensions | 4 | 8 |
| Total Days Suspended | 11 | 16 |
| Warning Letters | 61 | 33 |
| Caution Letters | 8 | 4 |
| Formal Counselling | — | 14 |
| **Permittees** | | |
| Suspension of Privileges | 14 | 4 |
| Warnings | 27 | 16 |

**Inspections/Investigations**

The current and prior fiscal year's inspections and investigations are as follows:

| Type of Inspection | 1983 | 1984 |
|---|---|---|
| Hotels | 3,497 | 3,550 |
| Beer Parlours | 85 | 74 |
| Restaurant Beer & Wine | 4,247 | 3,496 |
| Restaurant Wine | 270 | 223 |
| Beverage Rooms | 6,622 | 6,042 |
| Dining Rooms | 4,613 | 4,696 |
| Cocktail Rooms | 3,047 | 2,967 |
| Cabarets | 219 | 197 |
| Special Events (Performances, Conventions, Exhibitions, etc.) | 109 | 90 |
| Clubs (Beer Parlour) | 17 | 6 |
| Clubs (Beverage Room) | 241 | 247 |
| Clubs (Dining Room) | 3 | 5 |
| Clubs (Cocktail Room) | 1,040 | 859 |
| Beer Vendors | 6,357 | 5,790 |
| Sacramental Wine Vendors Stock and Premises Inspections | 10 | 6 |
| Hunting or Fishing Lodges | 4 | – |
| *Occasional Permit Functions | 1,448 | 2,204 |
| Banquet Halls | 164 | 167 |
| | 31,993 | 30,619 |

*The Commission issued 27,022 occasional permits during fiscal 1984, an increase of 799 over the previous year.

| Type of Investigation – Generated by External Request | 1983 | 1984 |
|---|---|---|
| **Occasional Permits (Prior to Issue) | 1,929 | 1,889 |
| Interdiction Orders Personally Served | 32 | 4 |
| Notices of Intention to Apply for Licence | 194 | 165 |
| Final Inspections for New Licences and Extension of Existing Licences | 136 | 138 |
| General Investigations and Complaints | 1,601 | 1,497 |
| | 3,892 | 3,693 |

**Three hundred and seventy-four applications were cancelled or withdrawn when investigation revealed these applicants did not comply with specific Sections of The Liquor Control Act, its Regulations and Commission Policies.

**Prosecutions Under The Liquor Control Acct**

Prosecutions in Manitoba by the Attorney-General's Department under The Liquor Control Act for the fiscal years 1980 - 1984 are as follows:

**Convictions and total fines imposed:**

| | 1980 | 1981 | 1982 | 1983 | 1984 |
|---|---|---|---|---|---|
| Number .... | 9,442 | 9,941 | 10,214 | 9,915 | 9,598 |
| Amount .... | $429,279 | $418,535 | $447,758 | $580,817 | $575,559 |

The number of convictions for Informations sworn by City of Winnipeg Police was 1,068 resulting in fines totalling ..... $ 55,759

The number of convictions for Informations sworn by the R.C.M. Police and rural Police was 8,552 resulting in fines totalling ..... $519,800

**Number of persons convicted in Manitoba**

| | 1980 | 1981 | 1982 | 1983 | 1984 |
|---|---|---|---|---|---|
| – sentenced to jail without option of a fine ..... | 54 | 44 | 50 | 27 | 110 |
| – given suspended sentence ..... | 10 | 3 | 1 | 1 | 3 |
| – placed on probation ..... | 3 | 2 | 10 | 4 | 13 |
| – reprimanded ..... | 98 | 78 | 66 | 80 | 111 |

The above data was compiled from conviction reports received from the Royal Canadian Mounted Police, the City of Winnipeg Police and rural Police.

**1983 A.L.E.R.T. Program**

The results of the City of Winnipeg Police A.L.E.R.T. Program held between December 1, 1983 and January 7, 1984 follow:

| | |
|---|---|
| Vehicles stopped ..... | 11,699 |
| Drivers tested ..... | 399 |
| Drivers suspended for six hours ..... | 76 |
| Drivers charged with impaired driving ..... | 93 |
| Drivers refused breathalayzer ..... | 9 |

This data was compiled by and received from the City of Winnipeg Police.

## INTERNAL AUDIT AND SECURITY

### Internal Audit

Audit procedures of the Commission's retail liquor stores were expanded to allow more in-depth analyses of cash and inventory controls. Greater emphasis has been placed on the operational audit of Head Office departmental activities.

Departmental audits are conducted with special regard to the economy, efficiency and effectiveness of operations, including internal controls, systems, policies and procedures.

### Security

A Security Committee, chaired by the Manager of Internal Audit and reporting directly to the General Manager and Chief Executive Officer, was formed with the overall objective of ensuring that all Commission assets are safeguarded in a cost-effective manner.

During the fiscal year, Committee members held meetings with store managers to review and improve security and control procedures, conducted special investigations and assisted in projects to maximize security in new and renovated stores. In addition, the Winnipeg Police Department conducted a three day seminar on crime prevention for store employees.

Significant security enhancement of liquor stores during the year included the installation of protective lexan glass, steel window curtains and grates, preentry security alarms, hold-up alarms and panic hardware.

Improved management information reporting, in-store closed circuit T.V. monitors and changes to the armoured car service all contributed to an improvement in security and control.

## FINANCE

### Financial Information: Fiscal 1984

In fiscal 1984, liquor sales increased by $15,120,024 (5.2%) and gross profit by $9,786,372 (7.4%). Income from licence fees and other sources increased by $933,096 (15.4%). General and administrative expenses increased by $1,529,092 (8.6%) and fixed assets charged to operations decreased by $266,422 (21.1%).

The resulting net profit increased by $9,456,798 (8.0%) to $128,102,607 which was paid over to the province's Revenue Division of the Consolidated Fund. In addition to the net profit the Commission also remitted Manitoba Retail Sales Tax of $19,489,539 to the Province of Manitoba.

Included in the cost of goods sold by the Manitoba Liquor Control Commission is $40,322,600 paid to the Government of Canada as Customs and Excise Taxes and Duties and Sales Tax in respect of spirits, wine and imported beer.

Excise Duty and Sales Tax on domestic beer are paid by the breweries directly to the Government of Canada based on production.

The Commission's 5-Year Systems Development Plan (fiscal 1982 through fiscal 1986) has progressed as planned with an automated general ledger system being implemented April 1, 1983.

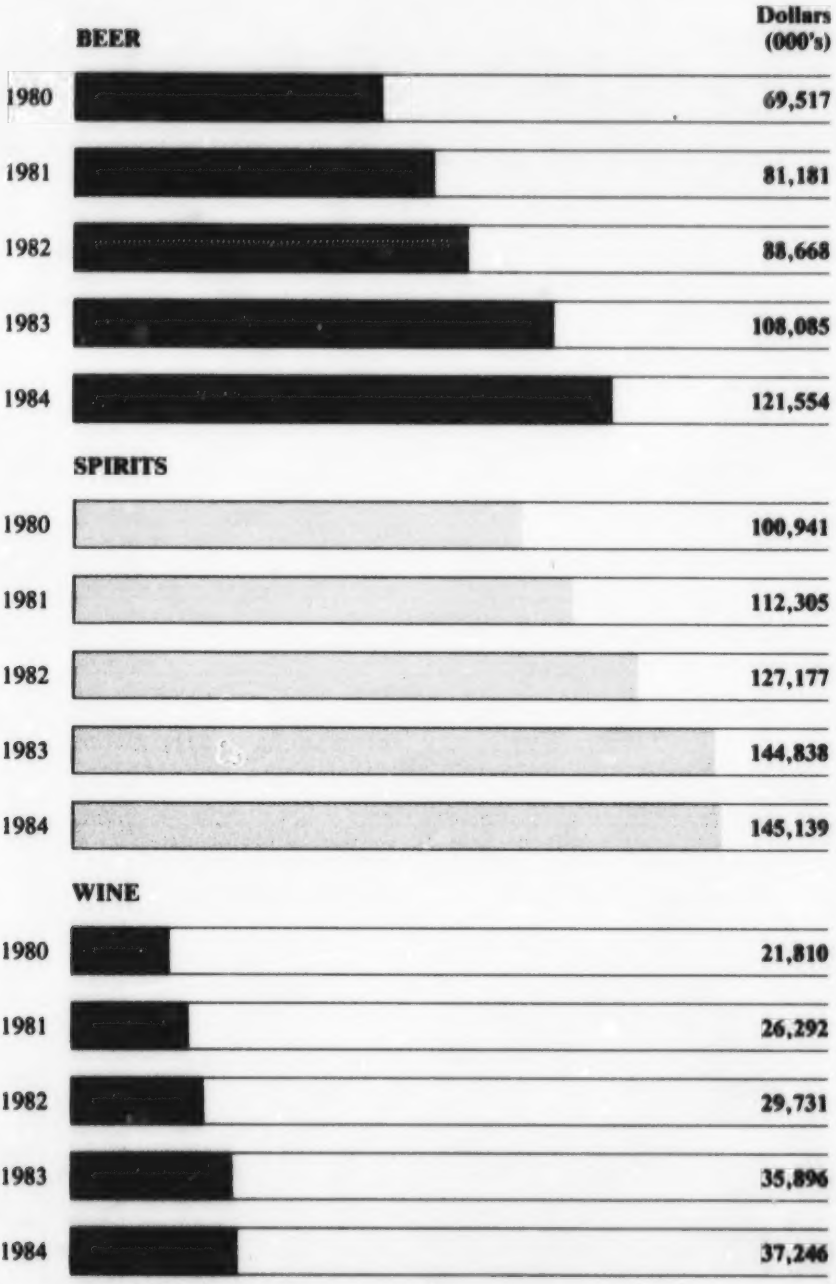
With the expansion of word processing and computer terminal equipment in the Commission, appropriate furnishings and carpeting were purchased to ensure all health and safety concerns were answered. Employees have responded exceptionally well to the on-going changes.

**Profit and Expense Ratios in Fiscal Years Ended March 31 ($000's)**

| | 1980 | 1981 | 1982 | 1983 | 1984 |
|---|---|---|---|---|---|
| Sales | $192,268 | $219,778 | $245,576 | $288,819 | $303,939 |
| Gross Profit | 79,206 | 90,035 | 101,650 | 131,725 | 141,511 |
| Net Profit | 71,696 | 81,634 | 91,229 | 118,646 | 128,103 |
| General and Administrative Expenses | 12,238 | 13,591 | 15,446 | 17,873 | 19,402 |
| Fixed Assets Charged to Operations | 186 | 349 | 977 | 1,264 | 997 |
| Gross Profit as % of Sales | 41.20% | 40.97% | 41.39% | 45.61% | 46.56% |
| Net Profit as % of Sales | 37.29% | 37.14% | 37.15% | 41.08% | 42.15% |
| General and Administrative Expenses as % of Sales | 6.37% | 6.18% | 6.29% | 6.19% | 6.38% |
| Fixed Assets Charged to Operations as % of Sales | .10% | .16% | .40% | .44% | .33% |

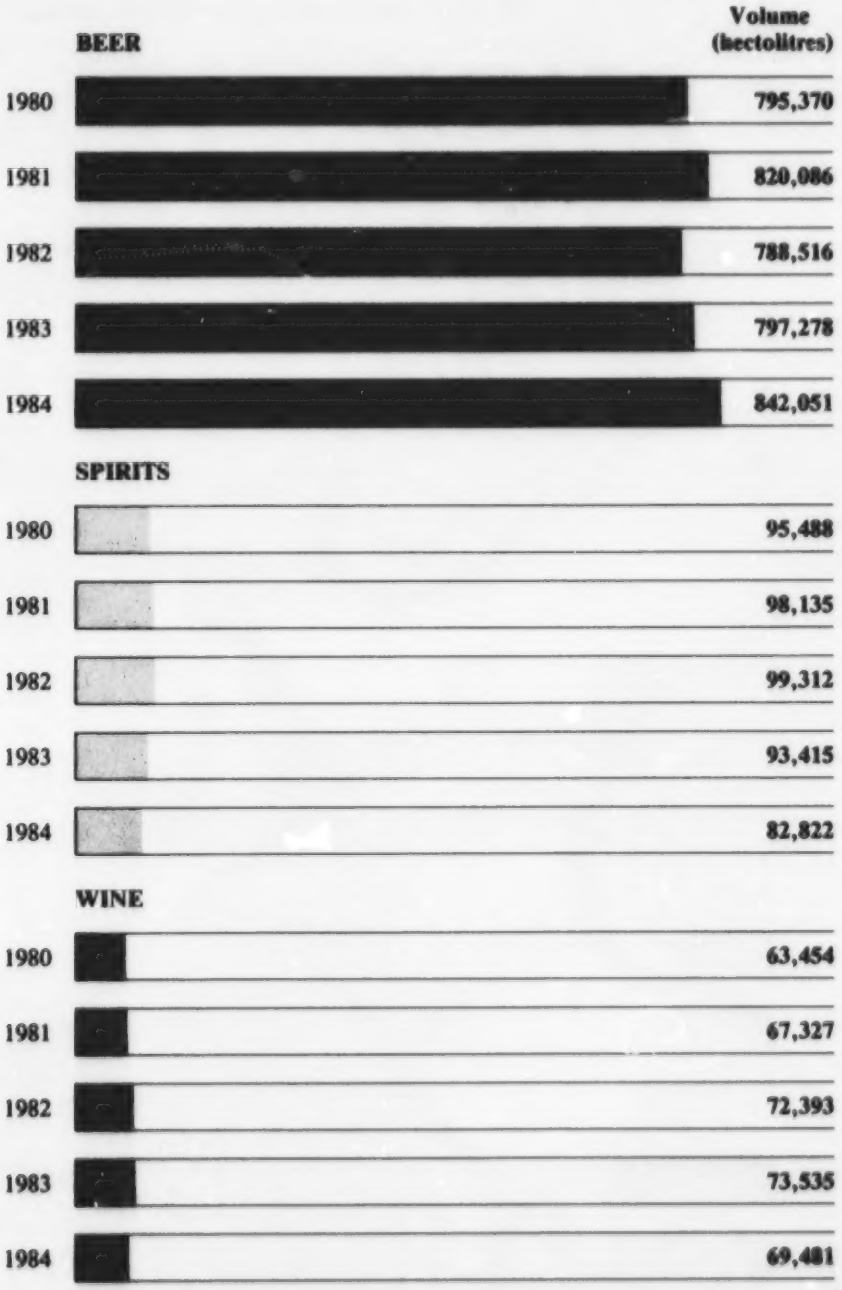
Note: Domestic beer container deposits are reflected through balance sheet accounts and are not included in sales.

## RETAIL VALUES OF LIQUOR SOLD IN MANITOBA



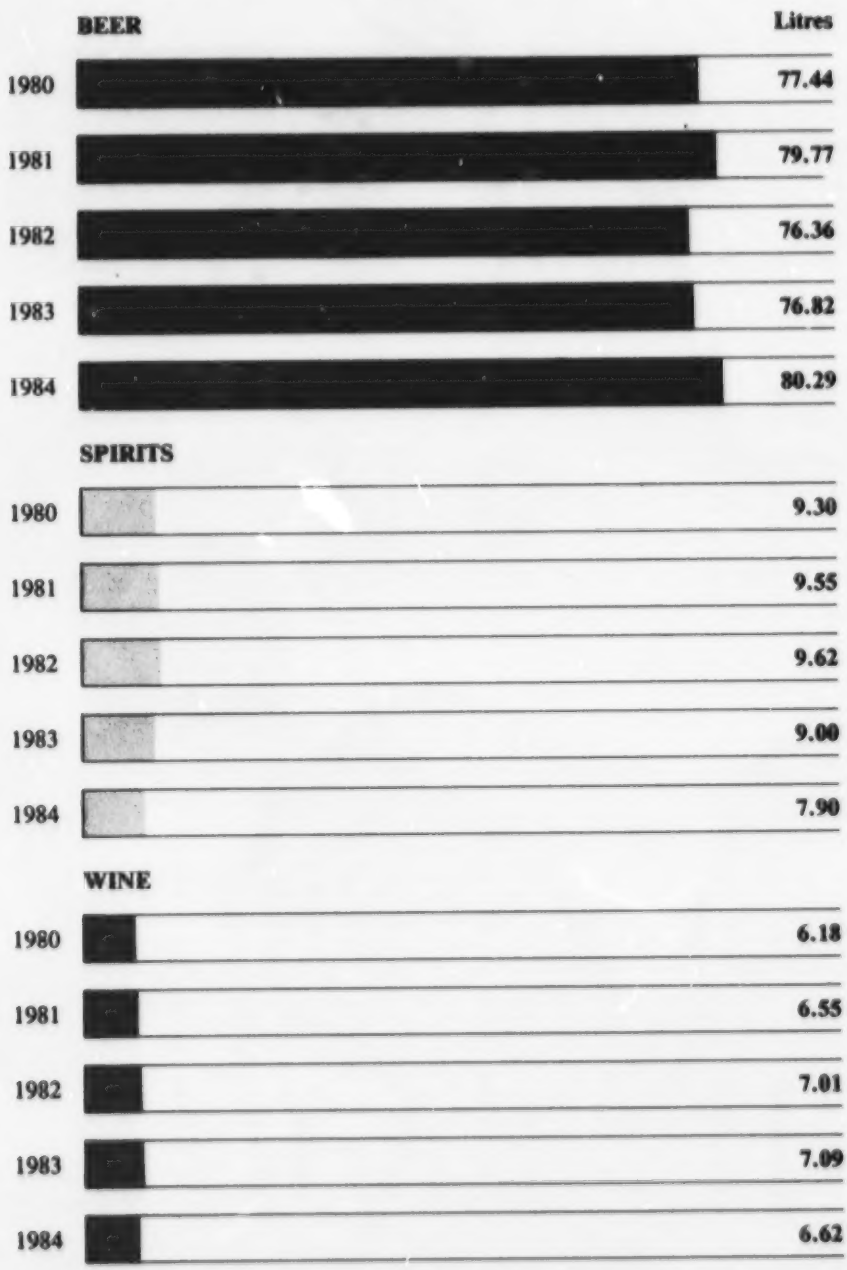

Note: Manitoba Retail Sales Tax collected by the Commission is not included above. During fiscal 1984, the Commission remitted $19,490 (1983 – $16,155) to the Province of Manitoba.

## VOLUME OF LIQUOR SOLD IN MANITOBA




Note: A hectolitre is 100 litres.

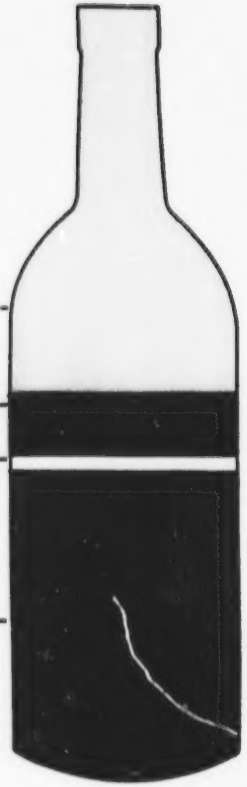
## PER CAPITA CONSUMPTION OF LIQUOR SOLD IN MANITOBA




Note: The Manitoba population of i,048,800 for fiscal 1984 was based on Statistics Canada's preliminary estimate of October 1, 1983.

## 1984

### SOURCES OF REVENUE



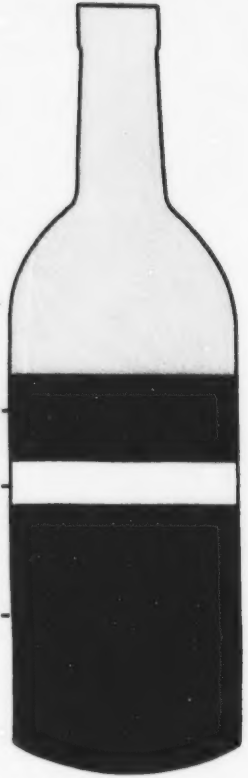
Liquor Sales to Licensees – 43.9% (1983 - 41.3%)

Liquor Sales to Liquor Vendors – 8.6% (1983 - 9.1%)

Fees and Other Revenue – 2.2% (1983 - 2.1%)

Liquor Sales Through Stores – 45.3% (1983 - 47.5%)

### DISTRIBUTION OF REVENUE



Suppliers and Freight – 39.3% (1983 - 39.4%)

Government of Canada Customs, Excise and Federal Sales Tax – 13.0% (1983 - 13.8%)

General, Administrative and Fixed Asset Expenses – 6.5% (1983 - 6.5%)

Province of Manitoba – 41.2% (1983 - 40.3%)

Manitoba

Provincial Auditor

## THE LIQUOR CONTROL COMMISSION

## REPORT OF THE PROVINCIAL AUDITOR'S OFFICE

We have examined the balance sheet of The Liquor Control Commission as at March 31, 1984 and the statements of profit and loss and cash flow and the schedule of sales, cost of sales and gross profit for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the Commission as at March 31, 1984 and the results of its operations and its cash flow for the year then ended in accordance with accounting principles as disclosed in Note 1 applied on a basis consistent with that of the preceding year.

W. K. Ziprick, C.A.,
Provincial Auditor.

July 16, 1984,
Winnipeg, Manitoba.

## GOVERNMENT OF THE PROVINCE OF MANITOBA

## THE LIQUOR CONTROL COMMISSION

## STATEMENT OF PROFIT AND LOSS
## FOR THE YEAR ENDED MARCH 31, 1984

**($000's)**

| | 1984 | 1983 |
|---|---|---|
| Sales: | | |
| Stores and liquor vendors (Note 3) | $167,512 | $166,933 |
| Licensees | 136,427 | 121,886 |
| | 303,939 | 288,819 |
| Cost of Sales: | | |
| Stores, liquor vendors, licensees | 88,294 | 90,823 |
| Beer purchases for licensees | 74,134 | 66,271 |
| | 162,428 | 157,094 |
| Gross profit | 141,511 | 131,725 |
| Other income (Note 4) | 6,991 | 6,058 |
| | 148,502 | 137,783 |
| General and Administrative Expenses: | | |
| Salaries and benefits | 11,955 | 11,076 |
| Superannuation | 718 | 647 |
| Alterations, maintenance and repairs | 422 | 337 |
| Audit, legal and other professional fees | 130 | 127 |
| Cleaning and caretaking | 456 | 424 |
| Corporation capital tax | 10 | 9 |
| Delivery charges | 918 | 938 |
| Equipment rentals (Note 6) | 269 | 200 |
| Grants in lieu of taxes | 446 | 416 |
| Health and post secondary education tax levy | 185 | 127 |
| Insurance | 17 | 14 |
| Light, heat, power and water | 399 | 403 |
| Photo ID program | 11 | – |
| Printing, postage and stationery | 244 | 253 |
| Protective services | 140 | 129 |
| Public information services | 132 | 118 |
| Rentals – leased premises (Note 6) | 1,287 | 1,144 |
| Staff training | 42 | 47 |
| Telephones | 106 | 81 |
| Travelling | 71 | 57 |
| Wrapping Supplies | 276 | 284 |
| Miscellaneous | 104 | 134 |
| Chief Inspector's Division: | | |
| Salaries and benefits | 787 | 679 |
| Operating expenses | 182 | 148 |
| Board of Commissioners – salaries and expenses | 51 | 38 |
| Licensing Board – salaries and expenses | 44 | 43 |
| Operating profit before fixed assets charged to operations | 19,402 | 17,873 |
| | 129,100 | 119,910 |
| Fixed assets charged to operations (Notes 1 and 5) | 997 | 1,264 |
| Net profit paid or payable to the Province of Manitoba | $128,103 | $118,646 |

## GOVERNMENT OF THE PROVINCE OF MANITOBA

## THE LIQUOR CONTROL COMMISSION

## BALANCE SHEET

## AS AT MARCH 31, 1984

**($000's)**

### ASSETS

| | 1984 | 1983 |
|---|---|---|
| Current Assets: | | |
| Cash on hand and in banks | $ 2,442 | $ 1,792 |
| Accounts receivable – claims and other | 368 | 194 |
| Inventory (Note 2) | 11,469 | 14,140 |
| Prepaid expenses and supplies | 247 | 199 |
| | 14,526 | 16,325 |
| Construction in progress (Note 1) | 52 | – |
| | $14,578 | $16,325 |

### LIABILITIES

| | | |
|---|---|---|
| Current Liabilities: | | |
| Net profits payable to the Province of Manitoba | $ 2,803 | $ 4,646 |
| Accounts payable – trade and other | 5,645 | 5,517 |
| Manitoba Retail Sales Tax payable | 1,414 | 1,458 |
| Deferred licence fees | 216 | 204 |
| | 10,078 | 11,825 |
| Non-interest bearing working capital advance provided by the Province of Manitoba | 4,500 | 4,500 |
| | $14,578 | $16,325 |

APPROVED ON BEHALF OF THE COMMISSION:

Chairman

General Manager and
Chief Executive Officer

Director of Finance

## GOVERNMENT OF THE PROVINCE OF MANITOBA

## THE LIQUOR CONTROL COMMISSION

## SCHEDULE OF SALES, COST OF SALES AND GROSS PROFIT
## FOR THE YEAR ENDED MARCH 31, 1984

**($000's)**

| | Spirits | Wine | Beer | Total |
|---|---|---|---|---|
| Sales: | | | | |
| Stores and liquor vendors | $124,605 | $ 30,409 | $ 12,498 | $167,512 |
| Licensees | 20,534 | 6,837 | 109,056 | 136,427 |
| Total Sales for 1984 | $145,139 | $ 37,246 | $121,554 | $303,939 |
| Total Sales for 1983 | $144,838 | $ 35,896 | $108,085 | $288,819 |
| Cost of Sales: | | | | |
| Stores, liquor vendors, licensees | $ 62,546 | $ 18,583 | $ 7,165 | $ 88,294 |
| Beer purchases for licensees | — | — | 74,134 | 74,134 |
| Total Cost of Sales for 1984 | $ 62,546 | $ 18,583 | $ 81,299 | $162,428 |
| Total Cost of Sales for 1983 | $ 64,545 | $ 19,613 | $ 72,936 | $157,094 |
| Gross Profit for 1984 | $ 82,593 | $ 18,663 | $ 40,255 | $141,511 |
| Gross Profit for 1983 | $ 80,293 | $ 16,283 | $ 35,149 | $131,725 |
| Gross Profit as a Percentage of Sales for 1984 | 56.9 | 50.1 | 33.1 | 46.6 |
| Gross Profit as a Percentage of Sales for 1983 | 55.4 | 45.4 | 32.5 | 45.6 |

## GOVERNMENT OF THE PROVINCE OF MANITOBA

## THE LIQUOR CONTROL COMMISSION

## STATEMENT OF CASH FLOW
## FOR THE YEAR ENDED MARCH 31, 1984
**($000's)**

| | 1984 | 1983 |
|---|---|---|
| Cash Receipts: | | |
| Sales – spirits, wine, beer | $303,939 | $288,819 |
| Basic and supplementary licence fees and other | 6,829 | 6,135 |
| Manitoba Retail Sales Tax | 19,446 | 16,578 |
| | 330,214 | 311,532 |
| Cash Disbursements: | | |
| Purchases – merchandise, federal duty, excise and sales taxes, etc. | 160,017 | 158,157 |
| General and administrative expenses | 19,303 | 17,699 |
| Fixed assets charged to operations | 808 | 1,245 |
| Manitoba Retail Sales Tax | 19,490 | 16,155 |
| | 199,618 | 193,256 |
| Net cash available for transfer | 130,596 | 118,276 |
| Transfers to Minister of Finance: | | |
| Current year profit | 125,300 | 114,000 |
| Prior year profit | 4,646 | 5,429 |
| | 129,946 | 119,429 |
| Excess of receipts over disbursements/transfers | $ 650 | |
| Excess of disbursements/transfers over receipts | | $ 1,153 |
| Represented by increase in cash in bank: | | |
| Cash on hand and in bank April 1 | $ 1,792 | $ 2,945 |
| Add excess of receipts over disbursements/transfers | 650 | |
| Less excess of disbursements/transfers over receipts | | 1,153 |
| Cash on hand and in bank March 31 | $ 2,442 | $ 1,792 |

## GOVERNMENT OF THE PROVINCE OF MANITOBA

## THE LIQUOR CONTROL COMMISSION

## NOTES TO THE FINANCIAL STATEMENTS
## FOR THE YEAR ENDED MARCH 31, 1984
**($000's)**

### 1. ACCOUNTING POLICIES

The Commission follows generally accepted accounting principles with the following modifications:

a. **Fixed Assets**

Fixed assets are charged to operations in the year acquired except for new store development projects under construction which are expensed when completed.

b. **Pensions**

In accordance with the provisions of the Manitoba Civil Service Superannuation Act, the Commission contributes 50% of the pension disbursement made to retired employees. Such payments are charged to operations as incurred and provision is not made in the accounts to fund current or past service obligations to the Superannuation fund. On the basis of an actuarial report, the unfunded liability for the Commission's employees amounted to $10,810 as at December 31, 1983.

### 2. INVENTORY AT COST

Inventory is composed of:

| | 1984 | 1983 |
|---|---|---|
| In bond merchandise | $ 6,505 | $ 7,775 |
| Duty paid merchandise | 4,964 | 6,365 |
| | $ 11,469 | $ 14,140 |

The amount of unpaid Customs, Excise duties and Sales tax on owned merchandise held in bond was approximately $4,012 at March 31, 1984 (1983 - $4,352).

### 3. SALES – STORES AND LIQUOR VENDORS

| | 1984 | 1983 |
|---|---|---|
| Sales to liquor vendors | $ 29,033 | $ 29,145 |
| Volume discounts | (2,262) | (2,255) |
| | 26,771 | 26,890 |
| Store sales | 140,741 | 140,043 |
| | $167,512 | $166,933 |

## 4. OTHER INCOME

| | 1984 | 1983 |
|---|---|---|
| Supplementary licence fees: | | |
| Licensees | $ 3,355 | $ 2,666 |
| Brewers | 2,387 | 2,158 |
| Miscellaneous | 518 | 530 |
| Occasional permits, etc. | 344 | 322 |
| Basic licence fees | 216 | 201 |
| Commission for collecting Manitoba Retail Sales Tax | 197 | 166 |
| Disposal of fixed assets | 59 | 2 |
| Liquor licensee application fees | 15 | 13 |
| | $ 6,991 | $ 6,058 |

## 5. FIXED ASSETS

| | 1984 | 1983 |
|---|---|---|
| Fixed assets charged to operations: | | |
| Systems development | $ 309 | $ 373 |
| Equipment and furnishings | 292 | 453 |
| Land and buildings | 278 | 37 |
| Leasehold improvements | 88 | 369 |
| Automobiles | 30 | 32 |
| | $ 997 | $ 1,264 |
| Included in the above is the cost of fixed assets purchased for the Chief Inspector's Division | $ 50 | $ 30 |

## 6. LONG-TERM LEASES

a. The Commission owns 12 stores and leases 37 others. Leases have expiry dates ranging from 1984 to 2002.

The future minimum lease payments for each of the next five years are as follows:

| Year Ending March 31 | |
|---|---|
| 1985 | $973 |
| 1986 | 931 |
| 1987 | 923 |
| 1988 | 923 |
| 1989 | 862 |

b. The Commission leases Hewlett-Packard and Sperry Univac computer equipment. The lease on the Sperry Univac computer equipment expires July 31, 1985, while the lease on the Hewlett-Packard computer equipment expires February 28, 1987.

The future minimum lease payments for each of the years to the expiry of the contracts are as follows:

| Year Ending March 31 | |
|---|---|
| 1985 | $227 |
| 1986 | 157 |
| 1987 | 110 |

## 7. MANITOBA RETAIL SALES TAX

In addition to the net profit of $128,103, the Commission remitted Manitoba Retail Sales Tax of $19,490 (1983 – $16,155) to the Province of Manitoba.

## APPENDIX I

# LIQUOR STORES

Of the 49 Commission operated liquor stores, 40 SELF-SERVE stores (1 more than in the prior year) were in operation at the following locations:

### In the City of Winnipeg:

**St. James-Assiniboia – Charleswood**

Unicity Fashion Square, 3605 Portage Avenue
Portage & Ainslie
Polo Park Shopping Centre
Charleswood, 4910 Roblin Boulevard

**Winnipeg Centre**

Hargrave & Ellice
Main & Market
Portage & Burnell

**Winnipeg South**

River & Osborne
*Grant Park Plaza Shopping Centre
Fort Garry, 1737 Pembina Highway

*Contains Fine Wines Boutique

**St. Boniface-St. Vital**

Dominion Shopping Centre
St. Vital, 14 Alpine Avenue
Dakota Park Plaza

**North/West Kildonan**

Main & Manitoba
Northgate Shopping Centre
Main & Jefferson
Tyndall Market Mall

**East Kildonan**

Regent Park Shopping Centre
Northdale Shopping Centre
Eastwinds Shopping Centre

### Outside the City of Winnipeg

Beausejour
Brandon, 10th & Victoria Avenue
Brandon, Brandon Shoppers Mall
Carman
Churchill
Dauphin
Flin Flon
Gimli
Lac du Bonnet
Minnedosa
Morden
Neepawa
Pine Falls
Portage La Prairie
Roblin
Selkirk
Swan River
The Pas
Thompson
Virden

9 CONVENTIONAL stores (1 less than in the prior year) were in operation in the following rural locations:

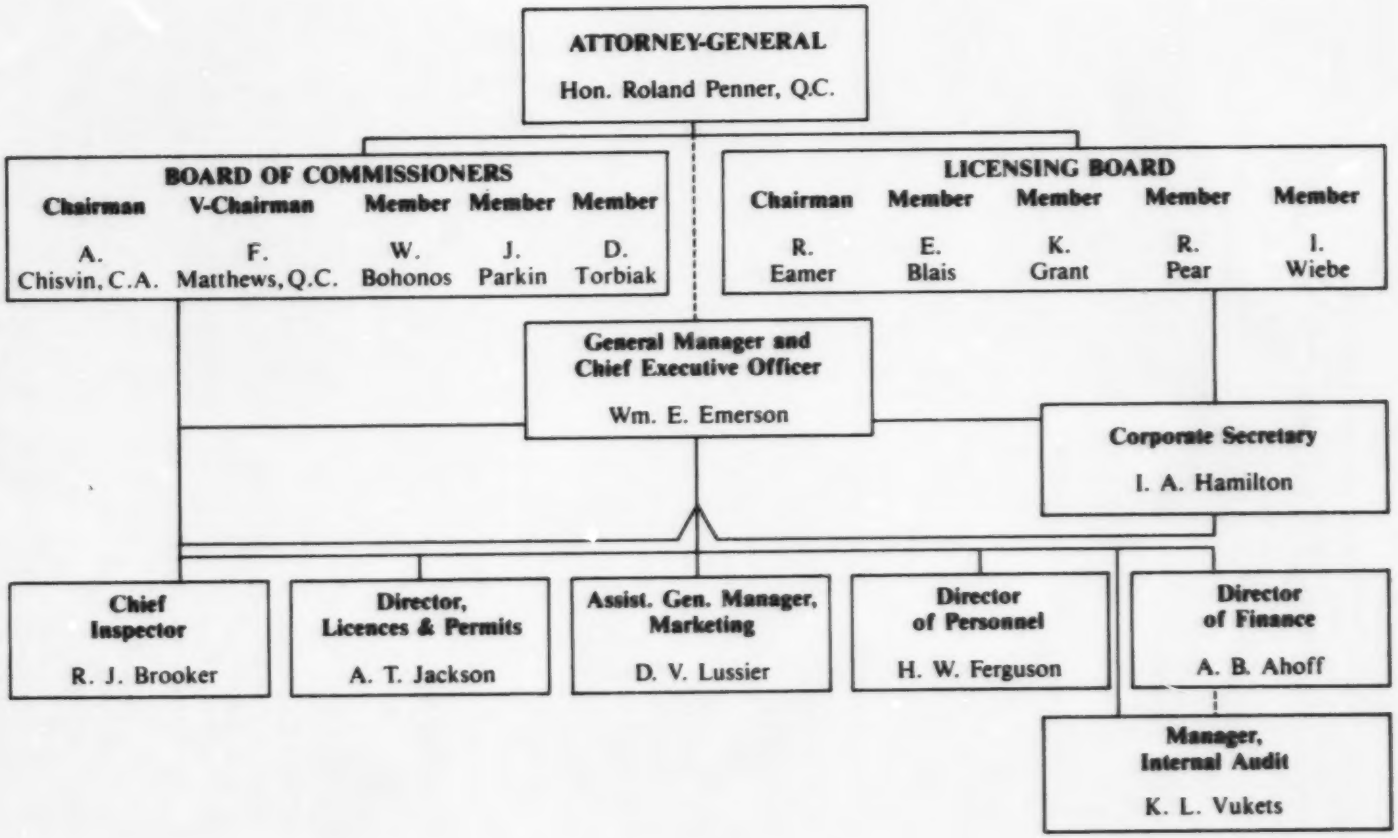
Fisher Branch
Killarney
Melita
Morris
Rivers
Russell
St. Pierre
Souris
Winnipegosis

## APPENDIX II

# 168 LIQUOR VENDORS (60 SELF-SERVE)

ALEXANDER ....Klassen's Food Mart Ltd.
ALONSA ....Fashoway Cafe & Confectionery
ALTONA .....Braun Drug Co. Ltd.
AMARANTH .....A.E. Starr Co. Ltd.
ANGUSVILLE .....John's Hardware
ANOLA.....Garven Foods Payfair No. 27
ARBORG .....Arborg Pharmacy
ARGYLE .....Brindley's General Store
ASHERN .....Ashern Pharmacy
AUSTIN .....Jones' Solo Store
BALDUR .....Baldur Variety Store
BELMONT.....Belmont Allied Hardware
BENITO .....Demchuk's Drug Store Ltd.
BINSCARTH...Wasslen Bros. General Store
BIRCH RIVER .Birch River Sporting Goods
BIRD RIVER .....Tall Timber Lodge
BIRDS HILL .....Birds Hill Store
BIRTLE .....Birtle Pharmacy Ltd.
BISSETT .....Bissett Variety Shop
BOISSEVAIN .....Houston & Son Co. Ltd.
CAMPERVILLE .Camperville Lucky Dollar Store
CARBERRY .....Stevenson Tom Boy
CARTWRIGHT ...Cartwright Health Store
CLANDEBOYE .....Clandeboye Store
CRANBERRY PORTAGE .....Streamer Hardware
CYPRESS RIVER ...Anderson's Solo Store
DELORAINE.....Clelland's Men's Wear
DOMINION CITY ....B.J.'s Variety Store
DUGALD.....Dugald Convenience Store
DUNREA.....Dunrea Solo Store
ELGIN .....R & G Repairs
ELIE.....Bouchard's M & M
ELKHORN .....Elkhorn Drugs
ELM CREEK.....Rose's Grocery
ELMA.....Lycar Holdings Ltd.
ELPHINSTONE Gerrard's Department Store
EMERSON .....Sawatzky Bros. Ltd.
ERICKSON.....Earley's Pharmacy
ERIKSDALE .....Eriksdale General Store
ETHELBERT..Lucky Dollar Economy Store
FALCON BEACH .....Falcon Lake Drugs
FANNYSTELLE ....Hamel's General Store
FRASERWOOD ...Welchinski Esso Service
GARSON..... Garson Grocery Ltd.
GILBERT PLAINS.....Gilbert Plains Pharmacy
GILLAM ..... Chamdon Enterprises Ltd.
GLADSTONE .....Boschman's Gladstone Pharmacy
GLENBORO .....Glenboro Pharmacy
GLENELLA .....Atkin's General Store
GLENORA .....Glenora Hardware
GRAND MARAIS...Grand Marais Village Store
GRAND RAPIDS.....Grand Rapids Esso Service
GRANDVIEW .....Grand Plains Home Hardware
GREAT FALLS.....Shindruk's Self Serve
GROSSE ISLE .....G.I. General Store
GYPSUMVILLE.....Gypsumville Supply
HADASHVILLE .C. Krawetz Grocery Store
HAMIOTA ..Hamiota Echo Publications Ltd.
HARTNEY .....Hartney Variety Store
HAZELRIDGE .....Hazelridge Foods
HODGSON .....Skibinski's General Store
HOLLAND .....Harris Allied Hardware
ILE DES CHENES.....Ile Des Chenes Shopping Centre
INGLIS.....Inglis Locker Plant
INWOOD.....J.O. Olsen & Son Ltd.
KELWOOD.....Cadle's Solo Store
KENTON.....Kenton Hardware
KOMARNO ....Mike & Faye's General Store
LA BROQUERIE .....Chez Rene
LAKE METIGOSHE .....Holiday Hills Grocery
LANGRUTH.....Langruth Allied Hardware
LA SALLE.....La Salle Store
LAURIER.....Verley Bros. General Store
LEAF RAPIDS .....Leaf Rapids Pharmacy
LETELLIER.....Gallant's Lucky Dollar
LIBAU .....Temple's Trading Post
LORETTE .....Chez Heather Shop
LUNDAR.....Lundar Pharmacy Ltd.
LYNN LAKE .....Clarke's Pharmacy
MacGREGOR .....Lo-Cost Drug Mart Ltd.
MAFEKING.....Bickel's General Store
MANITOU .....Langseth's Pharmacy Ltd.
MARIAPOLIS.....Pouteau Solo
McAULEY.....Patterson's Lucky Dollar
McCREARY.....Little's Drugs Ltd.
MIAMI .....Westaway's Pharmacy
MINIOTA .....Barrett's Store
MINITONAS....Russenholt Enterprises Ltd.
MINTO .....Community Market

MOOSEHORN ..... Moosehorn Supply
NAPINKA ..... Napinka Grocers
NEWDALE ..... Baker's Hardware
NINETTE ..... Ninette Shopping Centre
NOTRE DAME DE LOURDES ..... Notre Dame Shopping Centre
OAK RIVER ..... M & L Variety
OAKBANK ..... Family Fare
OAKBURN ..... Oakburn Tire Service
OAKVILLE ..... Nicol's General Store Ltd.
ONANOLE ..... Onanole Hardware
PIERSON ..... Phair's Hardware
PILOT MOUND ..... Pilot Mound Lucky Dollar
PINAWA ..... The Bay
PINE RIVER ..... Semeniuk's Groceteria
PINEY ..... B.J.'s General Store
PIPESTONE ..... Bob's Lucky Dollar
PLUMAS ..... Plumas Solo Store
POINTE DU BOIS ..... Pointe du Bois Supply Co. Ltd.
POPLARFIELD ..... B & I Food Town
POPLARFIELD ..... Poplarfield Groceteria
RAPID CITY ... Waldon Insurance Agencies
RATHWELL ..... Rathwell Grocery
RENNIE ..... Rennie Grocery & Hardware
RESTON ..... Reston Drugs
RICHER ..... Laurin Centre
RIDGEVILLE ..... Ridgeville Co-operative Community Club
RIVERTON ..... Thorarinson's General Store
ROLAND ..... Roland Foods
RORKETON ..... Pulak's General Store
ROSSBURN ..... L.P.K. Enterprises
ST. ADOLPHE ..... Village Groceries & Meats Inc.
ST. AMBROISE ..... St. Ambroise General Store
ST. CLAUDE ..... Toupin Electric
ST. EUSTACHE ..... Allard R & L Store
ST. FRANCOIS XAVIER . The Lakeview Country Store Inc.
ST. JEAN BAPTISTE Paul's Food Centre
ST. LAURENT ..... Chartrand's Grocery
ST. LAZARE ..... J.C. & O.J. Ltée.
ST. MALO ..... St. Malo Co-operative Ltd.
STE. AGATHE .... Joe's Meats & Groceries
STE. ANNE ..... Ste. Anne's Sundries
STE. ROSE DU LAC ... Ste. Rose Variety Shop
SANDY LAKE ..... Sandy Lake Hardware
SANFORD ..... Sanford Lumber & Building Supplies
SARTO ..... Sarto General Store
SEVEN SISTERS . Genie's Gifts & Novelties
SHILO ..... BX Shopping Centre
SHILO ..... Crang's Grocery
SHOAL LAKE ..... Henderson's Pharmacy
SIFTON ..... Boguski Grocery
SNOW LAKE ..... The Bay
SOMERSET ..... Lachance Family Centre
SPERLING ..... Sperling Grocery
SPRAGUE ..... Carl's Solo Store
SPRINGFIELD ..... Garven Solo Store
STARBUCK ..... Starbuck Barber Shop
STEAD ..... Lesosky General Store
STONEWALL ..... Stonewall Pharmacy Ltd.
STONY MOUNTAIN Mountainview General Store
STRATHCLAIR ..... Strathclair Consumers Co-op Ltd.
SUNDOWN ..... Eliuk's Solo Store
SWAN LAKE .... Stevenson's Pharmacy Ltd.
TEULON ..... Duncan Pharmacy Ltd.
TOLSTOI ..... Hall's Val-U Foods
TRAVERSE BAY ..... Traverse Bay Corner Store
TREHERNE ..... Pinder's Pharmacy Ltd.
VASSAR ..... Cub's Groceries
VITA ..... Crossroads Confectionery
WABOWDEN ..... Lakeside Groceteria Ltd.
WANLESS .... Forest Grove Meat & Grocery
WARREN ..... Pete's General Store
WASKADA ..... Griffith Agencies
WATERHEN DISTRICT ..... North Star Tourist Camp
WAWANESA ... Wawanesa Allied Hardware
WEST HAWK LAKE .. West Hawk Hotel
WHITEMOUTH ..... Whitemouth Sundries
WINNIPEG BEACH .... McGregor's Drug Store Ltd.
WOODLANDS ..... Studler's General Store
WOODRIDGE .... Woodridge General Store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